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Software to make transactions of self-help groups transparent

Kannal Achuthan



SOLUTIONS FOR MICROFINANCE: T. Balasubramanian (left) and A. Nagarajan give demonstration of their accounting software. — Photo: S.R. Raghunathan

CHENNAI: A Chennai-based team has developed a software for grass root self-help groups.

The accounting package can help maintain computerised records even of the smallest financial transactions, crucial to the growth of SHGs and their economic activities.

Rather than sit with notebooks, a trained entrepreneur or SHG member can store the data in a computer. This would bring down the number of errors.

"With more and more non-governmental organisations and government agencies coming forward to set up information centres [with computers] in rural areas, this could be useful," says T. Balasubramanian, who developed the software.

A company secretary by profession, Mr. Balasubramanian, and his partner, A Nagarajan, a chartered accountant, designed the programme based on their experience in designing products for micro-finance institutions.

The accounting system is helpful in keeping track of transactions at SHG meetings, the backbone of the healthy functioning of a group. Each savings deposit, even if it is as small as Rs. 20, is recorded along with the member's name. Entries of loans and expenditure are also made.

As a pilot project, the programme is being used by Hand-in-Hand, a Kancheepuram-based NGO. Women in the SHGs, in coordination with the NGO, who run small businesses such as a bakery unit, use the software for daily accounting.

"Non-governmental organisations can process the computerised data for information on the functioning and financial needs of their member SHGs. It makes the system transparent," says Mr. Balasubramaniam. For details, call 55381661.

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